

## Message Text

CONFIDENTIAL

PAGE 01 AMMAN 10085 311604Z

44

ACTION NEA-10

INFO OCT-01 ISO-00 NEAE-00 SSO-00 NSCE-00 USIE-00 INRE-00

ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00

EB-07 FEAE-00 FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00

NSC-05 OMB-01 PM-04 SAM-01 OES-03 SP-02 SS-15 STR-04

TRSE-00 PA-01 PRS-01 /085 W  
----- 075288

O R 311545Z DEC 75

FM AMEMBASSY AMMAN

TO SECSTATE WASHDC IMMEDIATE 6524

INFO AMEMBASSY BEIRUT

AMEMBASSY DHAHRAN PRIORITY

AMEMBASSY JIDDA PRIORITY

C O N F I D E N T I A L AMMAN 10085

E.O. 11652 GDS

TAGS: ENRG JO SA

SUBJECT: POSSIBLE SOLUTION TO GOJ-TAPLINE DISPUTE

1. DURING DISCUSSION WITH AMBASSADOR ON DECEMBER 30, DR SAID AN NABULSI, GOVERNOR OF CENTRAL BANK OF JORDAN AND JORDANIAN TAPLINE "NEGOTIATOR", OUTLINED TERMS OF LIKELY SOLUTION OF LONG STANDING DISPUTE OVER TERMS OF JORDANIAN PAYMENT FOR DELIVERIES OF TAPLINE CRUDE OIL. TENTATIVE JORDANIAN SAUDI ARABIAN AGREE MENT TO PLAN WAS REACHED DURING RECENT VISIT OF JORDAN PM RIFAI TO SAUDAI ARABIA BUT AWAITS CONFIRMATION BY SAUDI MINISTER SHEIKH AHMAD ZAKI YAMANI WAS WAS KIDNAPPED IN VIENNA WHILE DEAL WORKED OUT IN RIYADH.

2. ACCORDING TO NABULSI SCHEME CALLS FOR JORDAN TO PAY TAP LINE \$US 11.50 FOR EACH BARREL OF OIL DELIEVERED TO JORDAN SINCE APRIL 1975 AND FOR ALL FUTURE DELIVEIRES. SUBSEQUENTLY TO GOJ PAYMENT TO TAPLINE SUADI ARABIA WILL PARTIALLY REIMBURSE JORDAN WITH ACTUAL COST PER BARREL TO JORDAN "UP TO 3 \$  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 AMMAN 10085 311604Z

PER BARREL" (THIS WILL BE IN FORM OF ADDITIONAL "BUDGET SUPPPORT"

ACCORDING TO PM RIFAI.) WITH CURRENT ANNUAL LEVEL OF TAPLINE DELIVERIES TO JORDAN AT APPROXIMATELY US 70 MILLION COST TO JORDAN FOR 1975 DELIVERIES SINCE APRIL WILL BE ABOUT \$UW 18 MILLION. NABULSI ANTICIPATES THAT A SIMILAR AGREEMENT WILL BE MADE FOR OIL DELIVERED BETWEEN NOVEMBER 73 WHEN DISPUTE OVER OIL PROCCE INCREAS BEGAN AND APRIL 75. UNDER PAYMENT FORMULA DESCRIBED ABOVE, JORDAN WOULD BEAR TOTAL COST FOR EARLIER PERIOD OF ABOUT \$US 30 MILLION. NABULSI ESTIMATES THAT PRICE OF \$US 3 PER BARREL CRUDE WILL INCREASE LOCAL COST OF PETROLEUM PRODUCTS BY 25-30 PERCENT. AMONG OTHER EFFECTS PRICE INCREASE WILL CAUSE CUT IN PROFITS OF ROYAL JORDANIANS AIRLINES (819,00 JD FOR FIRST NINE MONTHS UP 143 PERCENT OVER SAME PERIOD IN 74) TERMS OF FINAL AGREEMENT WOULD PRESUMABLY SPREAD BACK PAYMENTS OVER TIME.

3. NABULSI SPECULATES THAT SOMETHING SIMILAR TO JORDANIAN SAUDI ARABIAN ARRANGEMENTS WILL ALSO BE WORKED OUT BETWEEN SAUDI ARABIA AND LEBANON IN VIEW OF CURRENT LEBANESE CRISIS.

4. ACCORDING TO NABULSI TAPLINE HAS NOT BEEN INFORMED OF TENTATIVE ARRANGEMENT. HE ANTICIPATES THAT ONE MORE MEETING BETWEEN SAUDI AND JORDANIANS WILL BE NECESSARY TO FINALIZE THEIR BILATERAL ARRANGEMENTS. HE EXPECTS THIS MEETING TO TAKE PLACE IN NEAR FUTURE.

PICKERING

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, AGREEMENTS, DISPUTE SETTLEMENT, DEBT REPAYMENTS, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 DEC 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** buchant0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975AMMAN10085  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750451-0524  
**From:** AMMAN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t1975122/aaaaabrn.tel  
**Line Count:** 85  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION NEA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** buchant0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 08 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <08 APR 2003 by ShawDG>; APPROVED <08 DEC 2003 by buchant0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POSSIBLE SOLUTION TO GOJ-TAPLINE DISPUTE  
**TAGS:** ENRG, JO, SA, TAPLINE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006